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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/681,138	01/22/2001	Mark Farrell	1027.003US1	7328

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EXAMINER

LE, KHANH H

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 07/07/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/681,138

Applicant(s)

FARRELL, MARK

Examiner

Khanh H. Le

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 1/22/01.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-23 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-23 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date 2.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

**Detailed Action**

1. This Office Action is responsive to the original application .  
Claims 1-23 are pending in the present application.  
Claims 1, 6 are independent.

***Claim Rejections - 35 USC §101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

**3. Claims 1-18 and their other related dependent claims are rejected under this section as claimed inventions directed to non-statutory subject matter.**

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

Under the first prong of the test, for a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

As to claim 1 of the present case, none of the recited steps in claim 1 are directed to anything in the technological arts . All steps could be performed by pencil and paper. Looking

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at the claims as a whole, nothing the body of the claims recites any structure or functionality to suggest that a computer or other technology performs the recited steps. Therefore, the claims fail the first prong of the test.

Additionally, under the second prong of the test, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result.

In the present case, the claimed invention produces money from redeemed points (i.e., repeatable, useful and tangible).

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claim 1 is deemed to be directed to non-statutory subject matter and thus rejected under 35 U.S.C. 101.

Claims 2-18 are rejected on the same analysis and rationale as claim 1.

### ***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. **Claims 1-6, 15-23 are rejected under 35 U.S.C. 103(a) as being unpatentable over “New online customer program tops competitors with bigger travel rewards for fewer**

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**points” www.express.com/news/Points4Travel\_051600.html, May 16, 2000, herein Points4Travel.com in view of www.Upromise.com , press release, dated July 12, 2000, and accompanying pages, (supplied by Applicants), hereinafter Upromise.**

As to claims 1,6, and 18-20,

Points4Travel.com (5/16/00) discloses that consumers answering surveys or shopping from designated merchants earn reward points. These can be redeemed through the website when the points value equal \$100 or more.

Points4Travel.com discloses that low points redemption , such as \$100, is desirable; further redemption applies toward travel-oriented rewards only. Reward redemption is through Points4Travel.com and is instant.

Thus Points4Travel.com (see whole article) at least implicitly discloses claims 1, 2,3, 6, 19, 20.

i.e. a system comprising:

a loyalty management web site (Points4Travel.com )at which a user is registered (implicit) and at which the user is able to redeem earned points from an account only; and, one or more merchant web sites that have registered with the loyalty management web site such that purchases at the one or more merchant web sites by the user earns the user points (see at least 1<sup>st</sup> paragraph).

Points4Travel.com does not specifically disclose the one or more merchant web sites reporting back the purchases by the user to the loyalty management web site or that the reward points are to assist one or more users other than the user pay higher-education costs. However UPromise discloses both features. Member parents sign up for an account on the UPromise website to save for kids’ college education from contributions (i.e. rewards) of affiliated companies whom the parents buy from (see at least howitworks page with pictures) . Contributions are tracked at the UPromise website. Upromise discloses the rewards can be put into an account (i.e. interpreted as “a request to redeem specified points, given by the UPromise

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members, is received and processed, as claimed in claim 6). UPromise further discloses this account is for 529 tax-advantaged plans for the benefit of others for higher education costs only.

Official Notice is taken that it is well-known 529 plans, established by Congress since 1996, involves gifts to beneficiaries (i.e. for another than the account owner) for qualified higher education expense such as tuition, fees, room and board, books, supplies, and equipment required for enrollment at qualified high education institutions.

Books, supplies, purchased through an accredited hi-ed. institution, as claimed in claim 18, would obviously be included.

Thus it would have been obvious to one skilled in the art at the time of the invention to add UPromise to Points4Travel.com to extend the Points4Travel.com points rewards system to include redemption for college costs as these become major concerns for the middle/lower income families as taught by UPromise. (see at least UPromise News releases).

Further, Points4Travel.com discloses receiving on-line a request from the user to redeem specified points (e.g. \$100 worth of) from the account to buy qualified reward product /services and processing such request. Thus Points4Travel.com/UPromise discloses the request /fulfillment of reward points is for college costs for student beneficiaries.

As to claim 3 (dependent on claim 1), Points4Travel.com discloses redeeming the points into money to buy certain rewards and UPromise discloses using the rewards at a predetermined (accredited) educational institution.

As to claim 4 (dependent on claim 1), UPromise discloses rewards money is to purchase books and other supplies through a predetermined (accredited) educational institution.

As to claim 5 (dependent on claim 1), Points4Travel.com discloses the points are redeemed in increments of 100 dollars and discloses consumers like that low redemption threshold. Thus it would have been obvious to one skilled in the art at the time of the invention to lower the redemption threshold even further, such as to \$50 as claimed, to further please consumers.

As to claim 15 (dependent on claim 6), UPromise discloses tracking the predetermined loyalty-based activities performed by the user comprises receiving feedback (“contributions”) from one or more predetermined merchants that the user has purchased one or more products and services therefrom. (see at least pictures)

As to claim 16 (dependent on claim 6), tracking the predetermined loyalty-based activities performed by the user comprises receiving a request from the user that the user has purchased one or more products and services from one or more predetermined merchants, the request including verifiable information that the user has purchased the one or more products and services from the one or more predetermined merchants is well-known (e.g. consumers sending in proofs of purchase such as receipts). Thus it would have been obvious to one skilled in the art at the time of the invention to add this well-known technique to Points4Travel.com/UPromise to allow another way of submitting proof of purchases for rewards as taught by Points4Travel.com.

.As to claims 17-18 (dependent on claim 6), UPromise discloses the higher-education costs comprise tuition at a predetermined (accredited)educational institution as well as books and other supplies purchased through a predetermined educational institution.

As to claims 21-23 (dependent on claim 3), Official Notice is taken that it is well-known for portal websites to have real-time messaging, computer bulletin, message board, e-mail, on-line communities capabilities to make the site convenient, interesting and thus attractive to consumers. Thus it would have been obvious to one skilled in the art at the time of the invention to add those capabilities to the loyalty management web site for the same reasons and advantages.

**7. Claims 7-14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Points4Travel.com and UPromise as applied to claim 6 above, and further in view of “Novell implements e-Rewards, [www. surfgold.com/corporate/newsroom/02052000.html](http://www.surfgold.com/corporate/newsroom/02052000.html), May 2,2000, herein SurfGold.com**

As to claims 7-8 (dependent on claim 6), Points4Travel.com discloses converting the specified points deducted to a monetary value, deducting the specified points from the account of the user; and, Points4Travel.com/UPromise discloses sending such monetary value to pay for the higher-education costs.

Points4Travel.com/UPromise does not specifically disclose deducting the specified points from the account of the user. However, in the art, SurfGold.com (see whole document) discloses a loyalty/rewards networked online system of consumers/members, selling merchants and redemption merchants, via a website, where consumers members can get information, and their points accounts balances. Customers can request redemption from a variety of merchants. Thus it would have been obvious to one skilled in the art at the time of the invention to add SurfGold.com to Points4Travel.com/UPromise to allow users to keep track of their account balances, redeem specified points as taught by Points4Travel.com .

As to claims 9-14, all the claimed ways of forwarding the gift college money to the beneficiaries, or for their benefit, are well-known and thus it would have been obvious to one skilled in the art at the time the invention was made to add those to Points4Travel.com/UPromise to effect the transfer of gift money taught by Points4Travel.com/UPromise as the situation requires.

In particular:

As to claims 9,12 (dependent on claim 8), sending the money directly to the users or to a predetermined higher-education institution would have been obvious to defray the tuition costs as taught by Points4Travel.com/UPromise.



As to claims 10,13 (dependent on claims 9, 12 respectively ), send money as checks payable to both a predetermined higher-education institution and each of the one or more users other than the user would have been obvious to defray both the tuition and books/supplies costs.

As to claim 11 (dependent on claim 9), sending the money to a financial account of the user would have been obvious if it is desired to pay the user directly.

As to claim 14 (dependent on claim 12), sending the money to a financial account of the a predetermined higher-education institution would have been obvious if it is desired to pay the higher-education institution directly.

### **Conclusion**

8. Prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

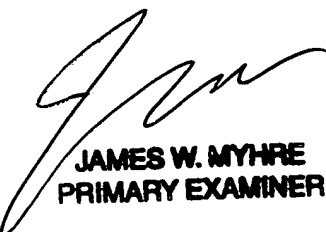
9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Khanh H. Le whose telephone number is 703-305-0571. The Examiner works a part-time schedule and can normally be reached on Tuesday-Thursday 9:00-6:00.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Eric Stamber can be reached on 703-305-8469. The fax phone numbers for the organization where this application or proceeding is assigned are 703-872-9326 for regular communications and 703-872-9327 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113

June 21, 2004

  
**KHL**

  
**JAMES W. MYHRE**  
**PRIMARY EXAMINER**